



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 25, 2003

### **H.R. 2417** **Intelligence Authorization Act for Fiscal Year 2004**

*As cleared by the Congress on November 21, 2003*

H.R. 2417 would authorize appropriations for fiscal year 2004 for intelligence activities of the U.S. government, the Intelligence Community Management Account, and the Central Intelligence Agency Retirement and Disability System (CIARDS). The act also would make changes to other laws related to intelligence programs.

CBO was unable to obtain the necessary information to estimate the costs for the entire act because certain parts are classified. The unclassified portion of the act would affect direct spending and revenues; although CBO estimates these effects would be insignificant for each year.

Section 201 would authorize \$226 million for CIARDS to cover retirement costs attributable to military service and various unfunded liabilities. The payment to CIARDS is considered mandatory, and the authorization under this act would be the same as assumed in the CBO baseline. Thus, this estimate does not ascribe any additional cost to that provision.

Section 315 would extend by one year the National Commission for Review of Research and Development Programs of the U.S. Intelligence Community to continue its review of the status of research and development programs and activities within the intelligence community and report on its findings. The provision also would extend the commission's authority to accept and spend gifts. CBO estimates that this provision would have no net budgetary effect because it would allow the commission to spend any gifts that it collects. (Gifts and donations are recorded in the budget as revenues.)

Section 504 would establish an advisory panel to review and make recommendations on measurement and signatures intelligence programs. Under this provision, the Director of the Defense Intelligence Agency would be allowed to accept contributions to defray the expenses of the advisory panel. CBO estimates any contributions received under this section would be insignificant.

CBO transmitted cost estimates for three previous versions of the Intelligence Authorization Act for Fiscal Year 2004. On June 16, 2003, CBO transmitted a cost estimate for the unclassified sections of H.R. 2417 as ordered reported by the House Permanent Select Committee on Intelligence on June 12, 2003. CBO also transmitted cost estimates for two versions of S. 1025 (an identically titled bill): the first on May 15, 2003, as reported by the Senate Select Committee on Intelligence on May 8, 2003; and the second on July 3, 2003, as reported by the Senate Committee on Armed Services on June 26, 2003. CBO estimated that all of these versions of the legislation would have insignificant effects on revenues and direct spending.

The CBO staff contact is Matthew Schmit. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.